

MELLOFAX 23

## INFORMATION REPORT

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COUNTRY China

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SUBJECT Pearl River Guerrilla Bands

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25X1 1. Since the fall of Canton (14 October 1949) Communists attempts to suppress Kwangtung pirates and to capture hidden arms have proceeded very slowly. Although Communist forces hold village leaders until guns are produced, the troops do not dare to force the issue; for example, one village only gave all of its old, broken guns, and another village, which handed over 10 rifles and 4 pistols, kept 2 tommy guns, 28 rifles and 6 pistols.

2. The Communists have raided LI Fu-lin's\* establishment on Hong M Island\* but have not found any of the hidden arms. The Communists executed 3 "river kings" recently, and are building an island fort near the Boca Tigris in order to subdue bandit activities on the Pearl River.

3. General LI Tsung-hai, once a Canton Garrison Commander, is now entitled Commander of the Pearl River Striking Force of the Nationalist Ministry of National Defense (MND)\*\*. The force is poorly organized because it is composed of pirate leaders who will only obey orders from a man who has proved his friendship and who has the greatest fire power and the most abundant ammunition supplies. LI, who has not joined any Kwangtung tongs and who has no soldiers nor supplies, serves as liaison between the pirate chiefs and the MND, and his title enables him to obtain some cooperation from the Chinese Nationalist Navy.

4. LU Ssu-chia (陸斯嘉)\*\*\*, one of LI's deputy commanders, is responsible for the 8 District, or Chungshan (113-36, 22-22) hsien, which consists of 20,000 acres of rice paddies in one of the most complicated river junctions near the Boca Tigris. LU commands 800 men armed with 25 mm guns, 150 machine guns, 30 maxims, Czech light machine guns and small arms such as carbines, .30-.30's, .30-.06's, etc. LU badly needs a very fast motor boat in order to carry out his main task of capturing motor junks which are running the Pearl River blockade to supply the Chinese Communists with kerosene, oil, gas and chemical supplies. LU uses proceeds from sales of captured cargoes to feed his men, buy ammunition and hire fast boats. LU and LI, who are hiring a fast (40 knots) ex-British MTB boat for Hong Kong (HK) \$15,000 a trip, wish to buy 4 very fast (30-45) (knots) boats -- steel hull, gasoline or diesel engines, shallow draft -- for US \$4,000 each. They plan to equip each boat with two 25 mm or 20 mm guns on the bow, two .50 guns in the stern, 2 bazookas and 2 flame-throwers.

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CENTRAL INTELLIGENCE AGENCY

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5. Among the items lost with the junk were 3 tons of rice and 30 cases of .50 ammunition. LU and his men are hiding, and hope to escape disguised as blockade runners.

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[REDACTED]

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[REDACTED] Comment. This appears to be another name for the Kwangtung "First Column" [REDACTED]

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[REDACTED] Comment. This is LOK See-kun; [REDACTED]

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